

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

IN RE:

W.R. GRACE & CO., *et al.*,

Debtors.

)
) **Chapter 11**
)
) **Case No. 01-01139 (JKF)**
) **Jointly Administered**
)
) **Re: Docket Nos. 18328, 18485, & 18495**
4/22/08 Agenda Item No. 1

**CANADIAN ZAI CLAIMANTS' MOTION FOR LEAVE TO FILE LATE
OBJECTION TO ZAI CLAIMS BAR DATE MOTION**

The Canadian ZAI Claimants, by and through their undersigned counsel, files this Motion For Leave to File an Objection to Debtors' Amendment to Motion for an Order (A) Establishing a Proof of Claim Bar Date for Zonolite Attic Insulation Claims and (B) Approving the Related Proof of Claim Form, Bar Date Notices, and Notice Program ("ZAI Claims Bar Date Motion"). The proposed Objection is attached as **Exhibit "A."** In support of this motion, Canadian ZAI Claimants represent as follows:

1. On March 18, 2008, Debtors filed with the Court the ZAI Claims Bar Date Motion in which the Debtors request an Order pursuant to Bankruptcy Rule 3003(c)(2) approving a binding bar date and notice program for American ZAI claims. [Docket No. 18328].

2. On April 9, 2008, Her Majesty the Queen in Right of Canada as represented by the Attorney General of Canada (the "Crown"), filed an Objection to Debtors' Motion for an Order (A) Establishing a Proof of claim Bar Date for Zonolite Attic Insulation Claims and (B) Approving the Related Proof of Claim Form, Bar Date Notes, and Notice Program. [Docket No. 18485]. The basis of the Crown's objection

was that Canadian ZAI claims should have been included in the request sought by the ZAI Claims Bar Date Motion.

3. On April 10, 2008, Debtors filed Debtors' Amendment to Motion for an Order (A) Establishing a Proof of Claim Bar Date for Zonolite Attic Insulation Claims, and (B) Approving the Related Proof of Claim Form, Bar Date Notices, and Notice Program ("Amended ZAI Bar Date Motion") [Docket No. 18495].

4. The principal purpose of the Debtors' Amended ZAI Bar Date Motion was to amend the bar date notice and notice program to include, and ostensibly address for the first time, the Canadian ZAI claims. Prior to the amendment, the proposed ZAI Claims Bar Date Motion specifically excluded claims outside the United States.

5. The Debtors now seek to substantively address the claims of the Canadian ZAI Claimants after initially specifically excluding these claims.

6. Until they received the objection of the Crown to the ZAI Claims Bar Date Motion, Canadian ZAI Claimants were operating under the assumption that the Motion was intended only to apply to American claimants since the materials are clear on their face in that regard. The Crown, through its objection, takes the position that Canadian ZAI claims should be included in the bar date and notice programs.

7. In the interests of fairness and judicial economy, this Court should have before it at the hearing on the ZAI Claims Bar Date Motion all materials necessary to determine the appropriate breadth and scope of the ZAI bar date and notice programs. Accordingly, this motion for leave to file a late response should be granted and the Court should permit the Objection to be filed.

8. Based on its reading of the above pleadings, the Canadian ZAI Claimants submit that cause exists for the Court to authorize the filing of the attached Objection. For the benefit of the Court, the Canadian ZAI Claimants' Objection will clarify the requested relief. In doing so, the Canadian ZAI Claimants further submit that the Objection will crystallize the issues in dispute from their perspective.

WHEREFORE, the Canadian ZAI Claimants respectfully request that the Court enter an Order authorizing them to file the attached Objection.

Dated: April 15, 2008

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SUMMARY OF EXHIBITS

Exhibit A Objection to Debtors' Amendment to Motion for an Order (A)
Establishing a Proof of Claim Bar Date for Zonolite Attic Insulation
Claims and (B) Approving the Related Proof of Claim Form, Bar Date
Notices, and Notice Program